Points for a meeting Iran/RK (1st draft).
March 10, 2016

General:
Iran is one of the oldest and most sophisticated civilisations on Earth. Ethnically highly diversified, but with a strong national identity and pride. Gifted people. Even under the Ayatollahs, the political system is multi layered, with half a dozen different sources of inputs. In spite of the autocratic essence of 'Velayat al Faqih', the political order that gives the ultimate authority to the "scholar', now Khamenai, it has to take into account and subtly balance policies, in order to minimise tensions among the different regime bodies and institutions ,as well as vis-a-vis the public. The struggle for power, influence and directions in Iran is much more vibrant and genuine than most outsiders believe.

Main challenges and Iranian positions:
Post Iran/P5+1, 'nuclear deal' , the main challenge is harvesting all benefits of the deal, without compromising national pride or vital interests of Iran. This includes

among others:

1) Kick up the Economy. Access to world financial markets.Massive deals in all sectors with Europe. (US is still highly suspected). accelerated increase in oil production (adding + .5 mbd almost immediately and adding up to +2-3 mbd within several years). Difficulties in coordination with other producers and a fight for increased market share under oversupply situation, won't be easy. An economic opening to China, Japan, RK, and 'Stan's neighbors.

2)Renewal of intimate relationship with all political allies or 'neutrals' as well as some rivals. Russia and China were relatively supportive to Iran on the way to the deal. In central Asia the Iranian effort is for economic benefits and for cultural influence echoing past contests with Turkey.

3)Leading and strengthening the "Shi'ite Crescent' from Teheran. Baghdad, Damascus, Beirut. The Cooperation with Assad
and the Hezbullah in Syria, together with

the Russians is a main pillar in Iran's present time strategy.

4) Arch rival in the Shi'a-Sunna cleavage is of course, Saudi Arabia. Recent events following the execution of Nimr-el-Nimr showed that both sides are aware of the need to contain and control responses, to a level which will not risk open clashes. Iran, will always try to move through proxies, low profile,combining diplomacy, propaganda and subtle use of force. Think of , Lebanon, Syria, Bahrein, Yemen. Even Israel, or the US during the nuclear crisis.Iran emphasises indirect strategic approach, firm negotiations and patience, over fully fledged confrontations that could have unintended bad consequences for them.

5) Recent missile launching and exercises are not just muscle flexing aimed at showing the US that post-nuclear-deal Iran did not turn weaker, or less assertive. It is part of genuine need to let a militant Revolutionary Guards and other extremists a way to express their attitudes as a part of the political Panorama.

6) Recent election results, strengthen Rouhani significantly, vis-a-vis the extremists. Popularity of Rouhani and his approach is even stronger than what we've seen in the Election. However, the political order mitigate the impact. Mousavi and Kharubbi will remain under house arrest and Hatammi will be constrained in both movement and public activities. But the atmosphere in the streets get gradually more and more open. presence of the 'Basij' and the likes, less apparent. Corruption cases, like Babak Zanjani, with heavy punishments will occur even more often, as different groups struggling for the upper hand in the public eyes or among supporters.

Points for discussion

Iran might raise:

1) Warming up of bilateral relationship on all level. including high level exchange of visits, economic delegations, cultural exchanges etc.
2) Cooperation in OPEC and coordination in oil markets.
3) coordination in regards to the 'One

road one belt' project.RK is a key player and Iran is highly interested in having Bandar el Abbas, a major outlet and shortcut for the 'Road/Belt' (not through Russia, and for Africa).
4) Iran might try to probe to what extent could understandings with RK, improve their cards vis-a-vis Russia and China.
5) Iran might be interested in cooperation with RK re Nuclear power for long term reasons and enriched Uranium housing.

RK might raise:
1) The Global and Regional geo-political landscape.
2) Oil policies. The extent of possible cooperation/coordination.
3) Business opportunities. Rules for Iranian investments in certain sectors. and access to the Iranian big and fast-growing markets.
4) Terms for Iranian participation in the Expo 2017 and later Iranian presence in the Financial Hub. Iranaian Participation in Global Forums in RK.
5) Coordination regards the Muslim World Organisations. RK has a leading modifying role in those bodies. Intimate, informal continuous dialog with Iran

regarding those issues could be helpful in sensitive discussions in the future. RK can subtly push on Issues of interfaith dialog and religious tolerance, although very subtly, by the ear
6) RK might be interested in understanding the nuances of Iranian positions on Syria, ISIS, and Iraq.
7) Turkey and the other Stan's. Challenges and coordinated (to the extent reasonable) approach.
8) Joint trans-border transportation/ energy-related projects. Needs Turkmenistan/(Uzbekistan), probably more.

End of first draft.
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